

Co-operative Energy Ltd

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27 May 1999

Mr. Tony Gill Secretary Co-operative Federation of Victoria Ltd RMB 1282 Langs Road BLAMPIED VIC 3364

Dear Mr. Gill:

Co-operative Principles

The board of Co-operative Energy Ltd has directed that I write to the Federation concerning the correct wording of the co-operative principles.

Our query relates to the 3rd Principle Member Economic Participation and the 7th Principle Concern for Community.

The wording for these principles which has been used by Co-operative Energy Ltd, the Federation and the Co-operatives Act 1996 is different from the official wording of the International Co-operative Alliance.

I have enclosed copies of a co-operative principles information sheet used by Co-operative Energy Ltd and an ICA document, Statement on the Co-operative Identity, which has the ICA wording of the principles. I have also attached a table for comparison purposes of the different wording. The differences in the wording are highlighted in **bold**.

While the different wording does not appear to change the meaning of the principles, would it not be more appropriate if the ICA wording was used for the principles?

In co-operation,

David Griffiths
Secretary

Co-operative Principles		Co-operative Energy Ltd, Federation and Co- operatives Act 1996 word- ing
3rd Principle Member Economic	Members contribute equitably to	Members contribute equitably to,
	and democratically control, the	and democratically control, the
a di diopation	capital of their co-operative. At	capital of their co-operative.
	least part of that capital is usu-	
	ally the common property of	capital is the property of the
	the co-operative. Members	co-operative. They have usually
		received limited compensation, if
	sation, if any, on capital sub-	any, on capital subscribed as a
	scribed as a condition of mem-	condition of membership. Mem-
	bership. Members allocate sur-	bers allocate surpluses for any or
	pluses for any or all of the fol-	all of the following purposes:
	lowing purposes: developing	developing the co-operative,
	their co-operative, possibly by	possibly by setting up reserves,
	setting up reserves, part of which	
	at least would be indivisible;	indivisible; benefiting members
	benefiting members in propor-	in proportion to their transac-
	tion to their transactions with the	tions with the co-operative; and
	co-operative; and supporting	supporting other activities ap-
1	other activities approved by the membership.	proved by the membership.
7 th Principle Concern for Com-	Co-operatives work for the sus-	While focusing on member
munity	tainable development of their	needs, co-operatives work for
	communities through policies	the sustainable development of
	approved by their members.	their communities through poli-
		cies accepted by their members.

Co-opEnergy

Co-operative Principles

1. Voluntary and Open Membership

4. Autonomy and Independence

Co-operatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership without gender, social, racial, political or religious discrimination.

Co-operatives are autonomous self-help organisations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co operative autonomy.

2. Democratic Member Control

5. Education, Training and Information.

Co-operatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and Women serving as elected representatives are accountable to the membership. In primary co-operatives, members have equal voting rights (one member, one vote) and co-operatives at other levels are organised in a democratic manner.

Co-operatives provide education and training for their members, elected representatives, managers and employees so that they can contribute effectively to the development of their co-operatives. They inform the general public, particularly young people and opinion leaders about the nature and benefits of co-operatives.

3. Member Economic Participation

6. Co-operation between Co-operatives

Members contribute equitably to, and democratically control, the capital of their co-operative. Usually, at least part of that capital is the property of the co-operative. They have usually received limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes; developing the co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

7. Concern for Community

While focusing on member needs, co-operatives work for the sustainable development of their communities through policies accepted by their members.

International Co-operative Information Centre

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Statement on the Co-operative Identity

This document has been made available in electronic format by the International Co-operative Alliance ICA

February 1996

Definition

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.

Values

Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

Principles

The co-operative principles are guidelines by which co-operatives put their values into practice.

1st Principle: Voluntary and Open Membership Co-operatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2nd Principle: Democratic Member Control Co-operatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organised in a democratic manner.

3rd Principle: Member Economic Participation
Members contribute equitably to, and democratically control, the capital of
their co-operative. At least part of that capital is usually the common
property of the co-operative. Members usually receive limited compensation,
if any, on capital subscribed as a condition of membership. Members
allocate surpluses for any or all of the following purposes: developing
their co-operative, possibly by setting up reserves, part of which at least
would be indivisible; benefiting members in proportion to their
transactions with the co-operative; and supporting other activities
approved by the membership.

4th Principle: Autonomy and Independence Co-operatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5th Principle: Education, Training and Information Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

6th Principle: Co-operation among Co-operatives Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

7th Principle: Concern for Community Co-operatives work for the sustainable development of their communities through policies approved by their members.

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